News Item Captioned "Banks fail to cash in on World Bank Scheme"

*5 SHRI PRAMOD MAHAJAN
SHRI VIREN J SHAH

Will the Minister of FINANCE be pleased to state

(a) whether Government's attention has been drawn to the news item which appeared in 'Business and Political Observer' dated November 27, 1990 under the caption "Banks fail to cash in on World Bank Scheme" to the effect that only $ 53 million worth of assistance out of $ 90 million of assistance offered under the World Bank scheme for promoting investments on upgrading and modernising technology of export related engineering industries could be distributed through the State Bank of India, Bank of Baroda, Canara Bank and Punjab National Bank,

(b) if so, what are the reasons for such a poor performance by the commercial banks, especially Bank of Baroda and Punjab National Bank as bulk of the earmarked funds to be utilised under the scheme, expire in December this year, and

(c) what steps Government propose to take in the matter?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) (a) Of the loan amount of $ 90 million meant for promoting investment on upgrading and modernising technology of engineering export industries, $ 70 million was earmarked for being routed through 4 commercial banks viz State Bank of India, Bank of Baroda, Canara Bank, and Punjab National Bank There is no bankwise allocation of this loan amount The total allocated amount of $ 70 million to the 4 commercial banks has been fully committed

(b) and (c) Do not arise

Austerity Measures taken by the Government

*6 SHRI SANTOSH BAGRODIA
SHRI BEKAL UTSAHI

Will the Minister of FINANCE be pleased to state.

(a) what are the details of fresh austerity measures taken by Government to improve the economy, item-wise, and

(b) what will be the total financial gain by all these measures, item-wise?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) With a view to effect utmost economy in Government expenditure instructions have been issued from time to time to all Ministries/Departments of Government to reduce expenditure on various items A copy of the latest instructions issued on November 30, 1990 regarding *inter-alia* reduction in expenditute on telephone, Gasoline, elecricity, travel, all forms of entertainment including lunches, dinner refreshment, purchase of new vehicles etc is placed on the Table of the House (*See* below) As such items of expenditure are not compiled centrally it is difficult to quantify the financial impact of these measures item-wise.